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March 26, 2012

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Docket Control  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007

AZ CORP COMM  
Director - Utilities

Re: Navopache Electric Cooperative, Inc. REST Compliance Report  
For January 2011 - December 2011

Pursuant to A.A.C. R14-2-1812 (A) & (B), enclosed is the Navopache Electric Cooperative, Inc. (NEC) REST Compliance Report covering the time period from January 1, 2011 through December 31, 2011.

If you have any questions do not hesitate to contact me at 928-368-1226.

Sincerely,

Charles R. Moore, P.E.  
Interim Chief Executive Officer

Enclosures

Cc: Brian Bozzo – ACC  
Michael Curtis, NEC General Counsel

1878 West White Mountain Boulevard • Lakeside, Arizona 85929  
(928) 368-5118 • (800) 543-6324 • Fax (928) 368-6038 • [www.navopache.org](http://www.navopache.org)

Navopache Electric Cooperative, Inc.  
REST COMPLIANCE REPORT  
FOR THE YEAR 2011  
R14-2-1812-(A) & (B)

Actual kWh of energy or equivalent obtained from ERER: 2,316,306 kWh

Actual kWh of energy or equivalent obtained from ERER  
normalized to reflect a full year's production: 2,702,306 kWh

kW of generation capacity, disaggregated by technology type:

Utility-owned Grid-tied photovoltaic: 208.0 kW

Utility-owned photovoltaic distributed generation: 76.0 kW

Member-owned renewable distributed generation: 663.74 kW

Solar Thermal System: 700.0 kW

Cents / kWh of energy obtained from ERER:

Utility-owned Grid-tied photovoltaic: \$ 0.16 / kWh

Utility-owned photovoltaic distributed generation: \$ 0.24 / kWh

Member-owned distributed renewable generation: \$ 0.07 / kWh\*

\*The utility provided incentive is 50% of the installed cost which is  
not reflected in the cents / kWh of member-owned renewable  
energy distributed generation systems.

Solar Thermal System: \$ 0.06 / kWh

Cents / kW of generation capacity:

Utility-owned Grid-tied photovoltaic: \$ 6,932.00 / kW

Utility-owned photovoltaic distributed generation: \$ 9,660.00 / kW

Member-owned distributed renewable generation: \$ 3,000.00 / kW\*

\*The utility provided incentive is 50% of the installed cost, based  
upon the rate of \$3.00 / watt of nameplate capacity.

Solar Thermal System: \$ 1,666.22 / kW

Annual Renewable Energy Requirement Renewable Energy Credits:

Utility-owned Grid-tied photovoltaic:	324,309 kWh
Solar Thermal System:	<u>976,496 kWh</u>
Total Annual:	1,300,805 kWh

Distributed Renewable Energy Requirement Renewable Energy Credits:

Utility-owned photovoltaic distributed generation:	125,088 kWh
Member-owned photovoltaic distributed generation:	821,681 kWh
Member-owned solar thermal distributed generation:	52,103 kWh
Member-owned wind turbine distributed generation:	<u>16,629 kWh</u>
Total Distributed:	1,015,501 kWh

Affected Utility's receipt of Renewable Energy Credits:  
(Attachments Included)

Affected Utility's procedures for choosing ERER:

Navopache Electric Cooperative, Inc., issued a Request For Proposals (RFP), to obtain ERER from qualified providers. NEC awarded a contract to Western Energy Solutions (WES) on March 8, 2012, to provide ERER from a biomass generation facility to be located in Apache County, Arizona. The WES facility is expected to be commissioned in mid-2013.

## 2011 NEC Solar Production

### Blue Ridge School Site

12/29/2011	121029kwh
1/3/2011	36910kwh
TOTAL	84119kwh

### Springerville Office Site

12/28/2011	271562kwh
1/3/2011	97200kwh
TOTAL	174362kwh

### Mountain Meadow Park Trackers

12/28/2011	91826kwh
1/3/2011	50857kwh
TOTAL	40969kwh

### St Johns Substation Site

12/28/2011	238187kwh
1/3/2011	88240kwh
TOTAL	149947kwh

### Total KWH

84119kwh
174362kwh
40969kwh
149947kwh
449397kwh 2011 TOTAL

# ABENGOA SOLAR INC

11500 West 13<sup>th</sup> Avenue, Lakewood, CO 80215

Phone: (303) 928-8500 Fax: (303) 928-8510

## Certificate of Transfer of EPS Credits

Certificate No. IST/NEC – 019

Date of REC generation: January – March 2011

Pursuant to the September 19<sup>th</sup>, 2001 Environmental Portfolio Standard Sales Agreement, Abengoa Solar Inc (ASI) transfers 173,825 kWh of EPS Credits to Navopache Electric Cooperative, Inc. to assist Navopache in meeting its portfolio requirements under the Arizona Corporation Commission's Environmental Portfolio Standard adopted in Decision Nos. 63364 and 63486.

1. ASI certifies that it derived the EPS credits from the operation of the solar thermal system at the Federal Correctional Institution in Phoenix, AZ. This system uses solar energy to displace the consumption of electricity used to heat hot water at the facility. The delivery of solar energy is measured using redundant metering equipment in a manner approved by the US Department of Justice and the National Renewable Energy Laboratory.
2. The above solar system was installed in 1999. Hence, the facility is eligible for the application of an early installation credit of 0.5.
3. Applying the EPS rules, 30% of the installed solar system has Arizona content materials. Such content generates an extra credit multiplier of  $0.5 \times 0.3 = 0.15$
4. ASI further certifies that it has title to the EPS credits proposed for transfer to Navopache and that such credits have not previously expired and have not be transferred to any other entity.
5. The sale of these credits at the rate of \$0.06 per kWh is governed by the Agreement between Industrial Solar Technology (now Abengoa Solar Inc) and Navopache dated November 6, 2006. The invoice is payable on a net 30 basis.

Amount due =  $\$0.06/\text{kWh} \times 255,788 \text{ kWh} = \$15,347.28$

Attest to:

E. Kenneth May  
Division Director  
Abengoa Solar Inc  
Date: April 16, 2011

Signature:

*E. Kenneth May*

*check memo  
5/2/11*

# ABENGOA SOLAR INC

11500 West 13<sup>th</sup> Avenue, Lakewood, CO 80215

Phone: (303) 928-8500 Fax: (303) 928-8510

## Certificate of Transfer of EPS Credits

Certificate No. IST/NEC – 020

Date of REC generation: April – June 2011

Pursuant to the September 19<sup>th</sup>, 2001 Environmental Portfolio Standard Sales Agreement, Abengoa Solar Inc (ASI) transfers 298,476 kWh of EPS Credits to Navopache Electric Cooperative, Inc. to assist Navopache in meeting its portfolio requirements under the Arizona Corporation Commission's Environmental Portfolio Standard adopted in Decision Nos. 63364 and 63486.

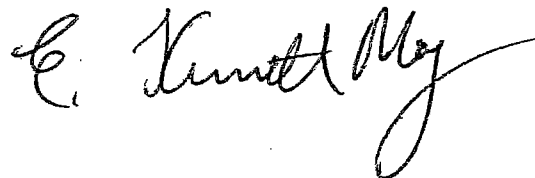
1. ASI certifies that it derived the EPS credits from the operation of the solar thermal system at the Federal Correctional Institution in Phoenix, AZ. This system uses solar energy to displace the consumption of electricity used to heat hot water at the facility. The delivery of solar energy is measured using redundant metering equipment in a manner approved by the US Department of Justice and the National Renewable Energy Laboratory.
2. The above solar system was installed in 1999. Hence, the facility is eligible for the application of an early installation credit of 0.5.
3. Applying the EPS rules, 30% of the installed solar system has Arizona content materials. Such content generates an extra credit multiplier of  $0.5 \times 0.3 = 0.15$
4. ASI further certifies that it has title to the EPS credits proposed for transfer to Navopache and that such credits have not previously expired and have not be transferred to any other entity.
5. The sale of these credits at the rate of \$0.06 per kWh is governed by the Agreement between Industrial Solar Technology (now Abengoa Solar Inc) and Navopache dated November 6, 2006. The invoice is payable on a net 30 basis.

Amount due =  $\$0.06/\text{kWh} \times 298,476 \text{ kWh} = \$17,908.55$

Attest to:

E. Kenneth May  
Division Director  
Abengoa Solar Inc  
Date: August 15, 2011

Signature:



# ABENGOA SOLAR INC

11500 West 13<sup>th</sup> Avenue, Lakewood, CO 80215

Phone: (303) 928-8500 Fax: (303) 928-8510

## Certificate of Transfer of EPS Credits

Certificate No. IST/NEC – 021

Date of REC generation: July – September 2011

Pursuant to the September 19<sup>th</sup>, 2001 Environmental Portfolio Standard Sales Agreement, Abengoa Solar Inc (ASI) transfers 220,008 kWh of EPS Credits to Navopache Electric Cooperative, Inc. to assist Navopache in meeting its portfolio requirements under the Arizona Corporation Commission's Environmental Portfolio Standard adopted in Decision Nos. 63364 and 63486.

1. ASI certifies that it derived the EPS credits from the operation of the solar thermal system at the Federal Correctional Institution in Phoenix, AZ. This system uses solar energy to displace the consumption of electricity used to heat hot water at the facility. The delivery of solar energy is measured using redundant metering equipment in a manner approved by the US Department of Justice and the National Renewable Energy Laboratory.
2. The above solar system was installed in 1999. Hence, the facility is eligible for the application of an early installation credit of 0.5.
3. Applying the EPS rules, 30% of the installed solar system has Arizona content materials. Such content generates an extra credit multiplier of  $0.5 \times 0.3 = 0.15$
4. ASI further certifies that it has title to the EPS credits proposed for transfer to Navopache and that such credits have not previously expired and have not be transferred to any other entity.
5. The sale of these credits at the rate of \$0.06 per kWh is governed by the Agreement between Industrial Solar Technology (now Abengoa Solar Inc) and Navopache dated November 6, 2006. The invoice is payable on a net 30 basis.

Amount due =  $\$0.06/\text{kWh} \times 220,008 \text{ kWh} = \$13,200.48$

Attest to:

E. Kenneth May  
Division Director  
Abengoa Solar Inc  
Date: January 4, 2012

Signature:

1/5/12  
E. Kenneth May

# ABENGOA SOLAR INC

11500 West 13<sup>th</sup> Avenue, Lakewood, CO 80215

Phone: (303) 928-8500

## Certificate of Transfer of EPS Credits

Certificate No. IST/NEC – 022

Date of REC generation: October – December 2011

Pursuant to the September 19<sup>th</sup>, 2001 Environmental Portfolio Standard Sales Agreement, Abengoa Solar Inc (ASI) transfers 202,224 kWh of EPS Credits to Navopache Electric Cooperative, Inc. to assist Navopache in meeting its portfolio requirements under the Arizona Corporation Commission's Environmental Portfolio Standard adopted in Decision Nos. 63364 and 63486.

1. ASI certifies that it derived the EPS credits from the operation of the solar thermal system at the Federal Correctional Institution in Phoenix, AZ. This system uses solar energy to displace the consumption of electricity used to heat hot water at the facility. The delivery of solar energy is measured using redundant metering equipment in a manner approved by the US Department of Justice and the National Renewable Energy Laboratory.
2. The above solar system was installed in 1999. Hence, the facility is eligible for the application of an early installation credit of 0.5.
3. Applying the EPS rules, 30% of the installed solar system has Arizona content materials. Such content generates an extra credit multiplier of  $0.5 \times 0.3 = 0.15$
4. ASI further certifies that it has title to the EPS credits proposed for transfer to Navopache and that such credits have not previously expired and have not be transferred to any other entity.
5. The sale of these credits at the rate of \$0.06 per kWh is governed by the Agreement between Industrial Solar Technology (now Abengoa Solar Inc) and Navopache dated November 6, 2006. The invoice is payable on a net 30 basis.

Amount due =  $\$0.06/\text{kWh} \times 202,224 \text{ kWh} = \$12,133.44$

Attest to:

E. Kenneth May  
Division Director  
Abengoa Solar Inc  
Date: January 3, 2012

1/5/12  
Chad Y. May

Signature: